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BEFORE THE DEPARTMENT OF INSURANCE
STATE OF NEBRASKA

FILED

STATE OF NEBRASKA)	
DEPARTMENT OF INSURANCE,)	ORDER SUSPENDING
)	CERTIFICATE OF AUTHORITY
PETITIONER,)	
)	
VS.)	
)	CAUSE NO. C-1821
NATIONAL STATES INSURANCE)	
COMPANY,)	
)	
RESPONDENT.)	
)	

National States Insurance Company is an Missouri domestic life and health stock insurance company holding a Certificate of Authority to transact the business of insurance in Nebraska.

Neb.Rev.Stat. § 44-134 allows the Department of Insurance to suspend or revoke a certificate of authority of a foreign or alien company to do business in this state whenever any of the grounds mentioned in Neb.Rev.Stat. §§ 44-4809, 44-4812, or 44-4817 exist as to a foreign or alien company.

National States Insurance Company reported surplus as regards policyholders of \$11,767,552 as of December 31, 2008, declining to \$5,784,839 as of December 31, 2009. Therefore, pursuant to Title 210, Nebraska Administrative Code, Chapter 55 (004.06), National States Insurance Company is defined as hazardous to the public or to holders of its policies of insurance as its operating loss in the last 12 months has exceeded 50% of the remaining surplus as regard to policyholders in excess of the minimum required.

As a result of these developments, the Director of Insurance of the State of Nebraska has reasonable cause to believe that National States Insurance Company is in such condition that the

further transaction of its business would be hazardous to the public or to the holders of its policies or certificates of insurance.

The Director of Insurance for the State of Nebraska is authorized to suspend the Certificate of Authority of National States Insurance Company, a foreign insurer, pursuant to Neb.Rev.Stat. §§ 44-134 and 44-4817 on the basis of such findings.

NOW, THEREFORE, IT IS HEREBY ORDERED, pursuant to Neb.Rev.Stat. §§ 44-134 and 44-4817 that the Nebraska Certificate of Authority held by National States Insurance Company is hereby suspended. Accordingly, National States Insurance Company shall cease writing any new business in Nebraska.

IT IS FURTHER ORDERED that all appointments of agents of National States Insurance Company filed with the Nebraska Department of Insurance are suspended and that National States Insurance Company shall immediately notify such appointed agents of this Order and its terms.


IT IS FURTHER ORDERED that this suspension of the Nebraska Certificate of Authority held by National States Insurance Company shall not prohibit the renewal of life and health insurance policies in existence prior to the date of this order.

IT IS FURTHER ORDERED that National States Insurance Company shall have ten days from the date this Order is received to seek administrative review of this Order by making

a written request to the Director of Insurance for the State of Nebraska for a hearing on this matter.

Dated this 22nd day of March 2010.

DEPARTMENT OF INSURANCE
STATE OF NEBRASKA


Ann M. Frohman
Director of Insurance

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing Order Suspending Certificate of Authority was served upon the Insurance Commissioner of the State of Missouri, the President of National States Insurance Company, at 1830 Craig Park Court, St. Louis, Missouri 63146-4148 by certified mail, return-receipt requested, and the Nebraska Life and Health Guaranty Fund, by U.S. Mail, first class, this 22nd day of March 2010.

